22nd NAVAJO NATION COUNCIL | Office of the Speaker



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Council Delegate Danny Simpson will request override of President Shelly's veto of the Healthy Diné Nation Act of 2013

Bill to eliminate sales tax on fresh fruits and fresh vegetables also vetoed

WINDOW ROCK – On Thursday, Council Delegate Danny Simpson (Becenti, Crownpoint, Huerfano, Lake Valley, Nageezi, Nahodishgish, Tse'ii'ahi, Whiterock) addressed Navajo Nation President Ben Shelly's veto of Resolution CJA-04-14, the Healthy Diné Nation Act of 2013 which sought to impose a two-percent sales tax, in addition to the Navajo Nation's current five-percent sales tax, on "junk food" sold within the Navajo Nation.

The tax revenue generated would have been used by chapters to develop wellness centers, community parks, basketball courts, walking, running and bike trails, swimming pools, community gardens, family picnic grounds, and health education classes.

Delegate Simpson who sponsored the bill said by vetoing the resolution, President Shelly is not upholding "healthy living" which is one of the" five main pillars of focus" that his administration has continuously promoted since taking office.

"President Shelly outright contradicted his stance on healthy living by vetoing the resolution," said Delegate Simpson. "The President is sending a message that minor issues such as changing tax forms and reprogramming cash registers to identify junk food outweigh the health of Navajo people and the need to address the diabetes epidemic on our Nation."

In President Shelly's memo to Speaker Johnny Naize (Low Mountain, Many Farms, Nazlini, Tachee/Blue Gap, Tselani/Cottonwood), President Shelly said "the Navajo Nation government is not currently prepared to implement and collect taxes on junk food."

"This legislation is an unfunded mandate, as there are no funds identified or appropriated to pay for the tax administration. Although the Office of the Navajo Tax Commission has a primary responsibility of collecting and regulating taxes, if imposed on the ONTC, this new responsibility would only increase the burden on the already underfunded tax office," President Shelly wrote.

The Navajo Nation Council passed the Healthy Diné Nation Act on Jan. 30, along with a separate bill that sought to eliminate the current five-percent sales tax on fresh fruits and fresh vegetables, which was also vetoed by President Shelly on Wednesday.

President Shelly also cited a "lack of regulatory provisions" as it relates to overseeing the collection of the sales tax.

In response, Delegate Simpson said the President has not established a tax regulatory office to oversee or to regulate any of the Nation's current tax revenues.

"If the President wants to use a lack of regulation as his reason for vetoing, why hasn't he established a tax regulatory office to oversee all of the Nation's tax revenues?" asked Delegate Simpson.

Delegate Simpson began working on the initiative over two years ago with the help of community members who are part of group known as the Diné Community Advocacy Alliance.

DCAA member Denisa Livingston, expressed disappointment in President Shelly's decision, adding that by vetoing the Healthy Diné Nation Act the President is "leaving the responsibility to the federal government to address our health concerns."

"In all fairness, DCAA should have been given the opportunity to respond to the questions and concerns that President Shelly had. We have been diligent to respond to any issues regarding the two pieces of legislation. Unfortunately, the president did not have the courtesy to meet with us to discuss the issues to resolve any concerns," Livingston stated.

Delegate Simpson said the group has continued to receive support despite the President's veto.

"One supporter called it a 'great loss for the Navajo people and a win for the food and beverage industry," Delegate Simpson said.

Delegate Simpson plans to introduce legislation to override President Shelly's veto of both resolutions, which will require two-thirds approval, or 16 supporting votes, from the Council.

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